

# EXHIBIT

# 11

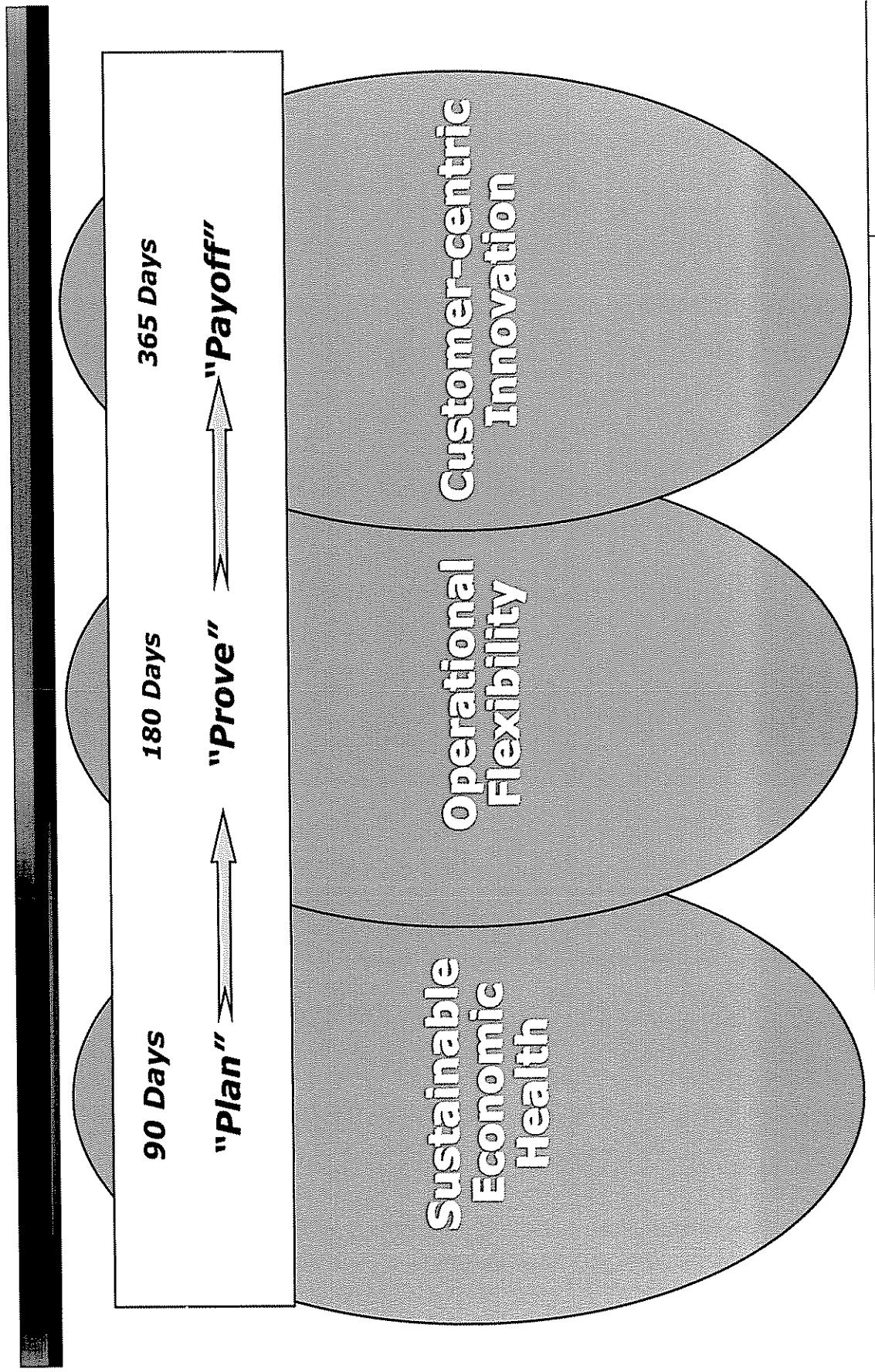
**AMD**

**Lehman Brothers**  
2002 Semiconductor and Computer Systems Conference

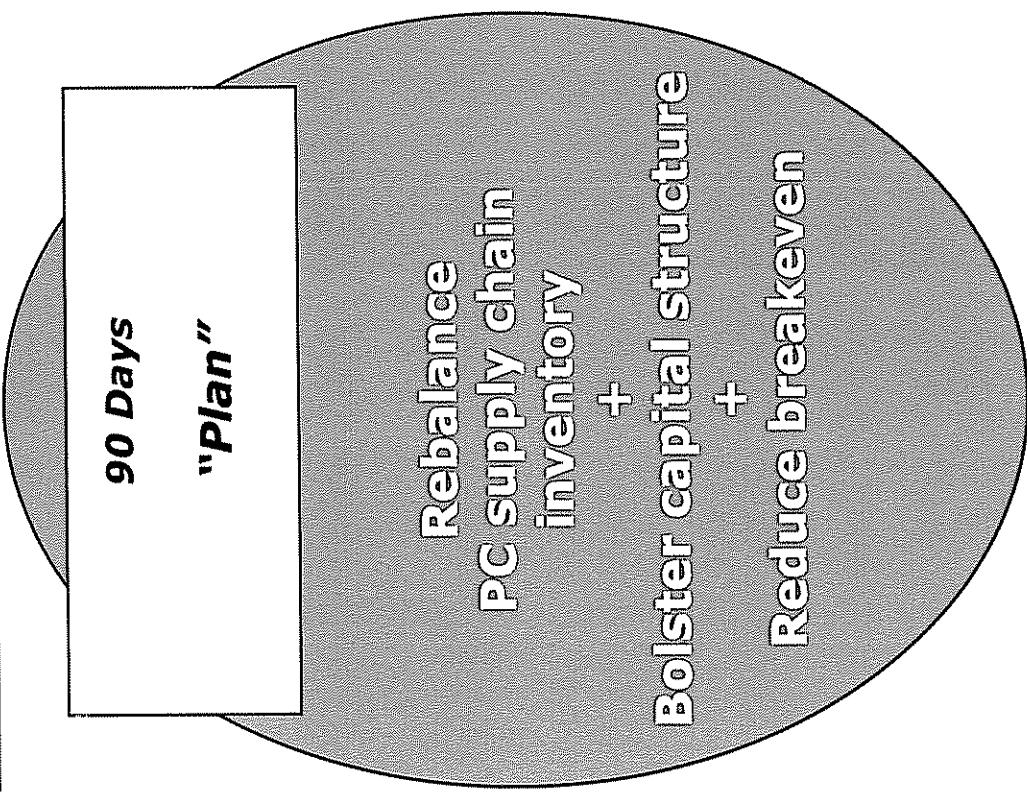
**Advanced Micro Devices**  
Hector Ruiz, President and CEO

**November 18, 2002**

## AMD's Three-phase Plan



## Phase 1: Sustainable economic health



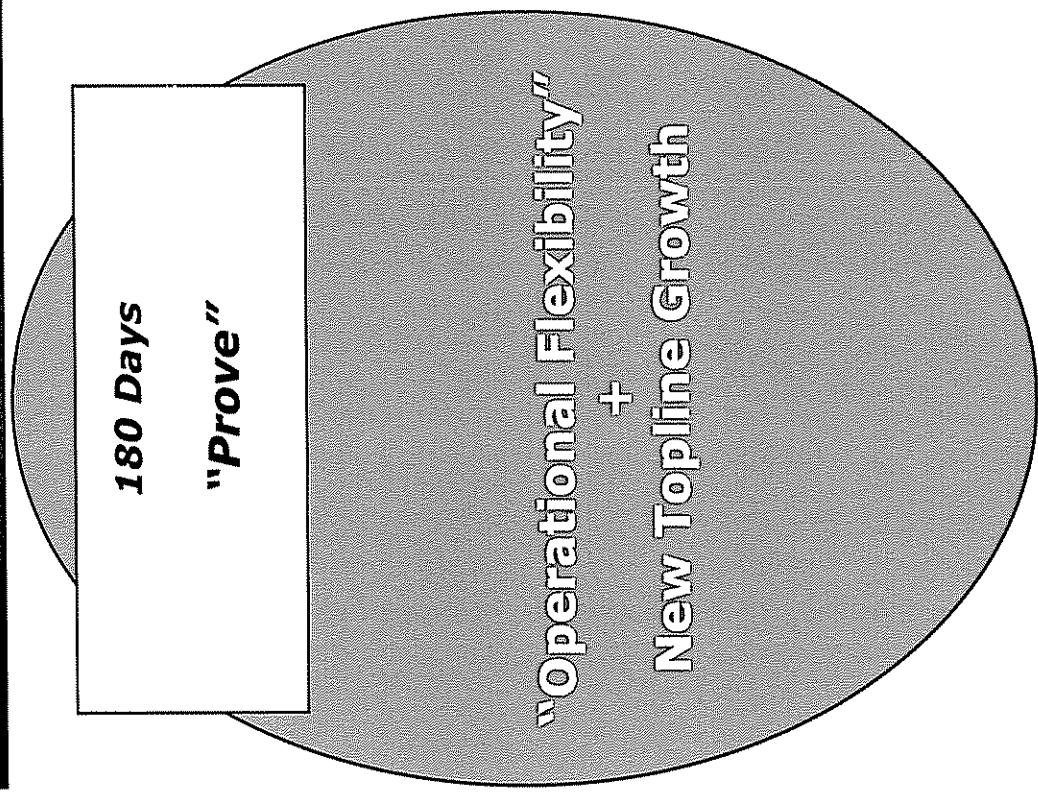
- Inventory rebalance 90% complete

- Reduced 2002 Capital Expenditures
  - Down \$50-100M to approx. \$750M
  - Feb 25 asset financing \$150M

- \$100M/qtr cost reduction plan by Q2-03

## Phase 2: Operational Flexibility

**AMD**

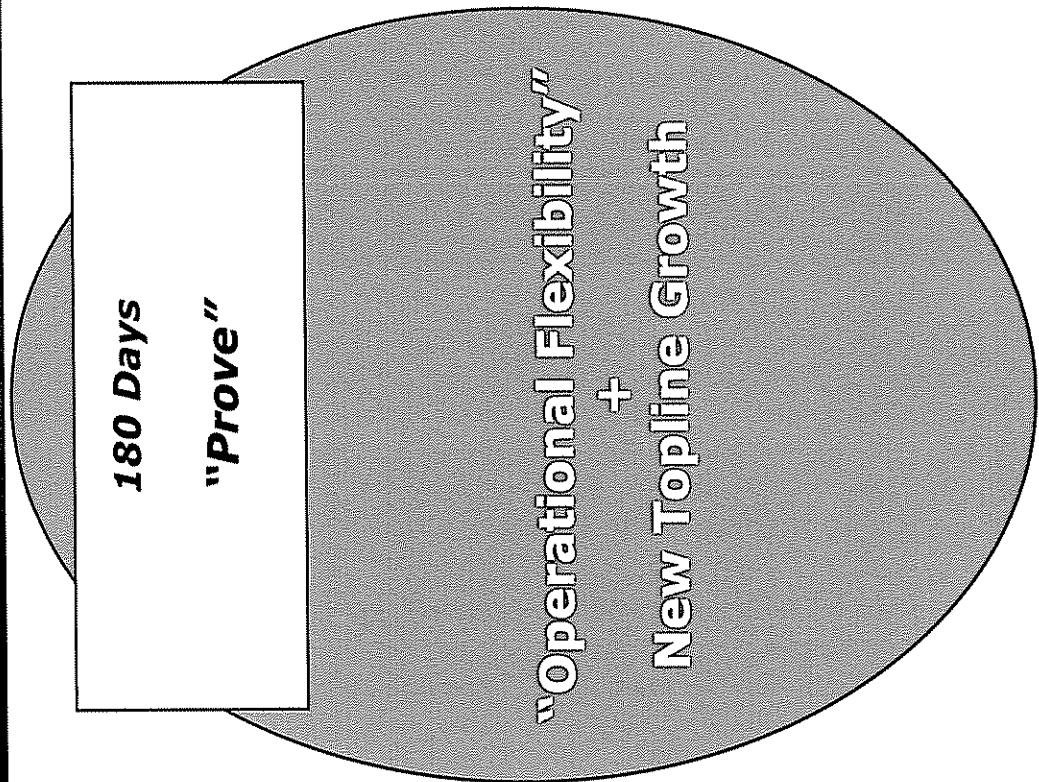


- Creating Operational Flexibility:
  - Tactical spend reductions
  - Structural transformations

- Implementing Operational Flexibility:
  - Shifting expenses to variable expenses from fixed
  - Reduces risks of investments in high fixed cost assets

## Phase 2: Operational Flexibility

**AMD**



- New Topline Growth

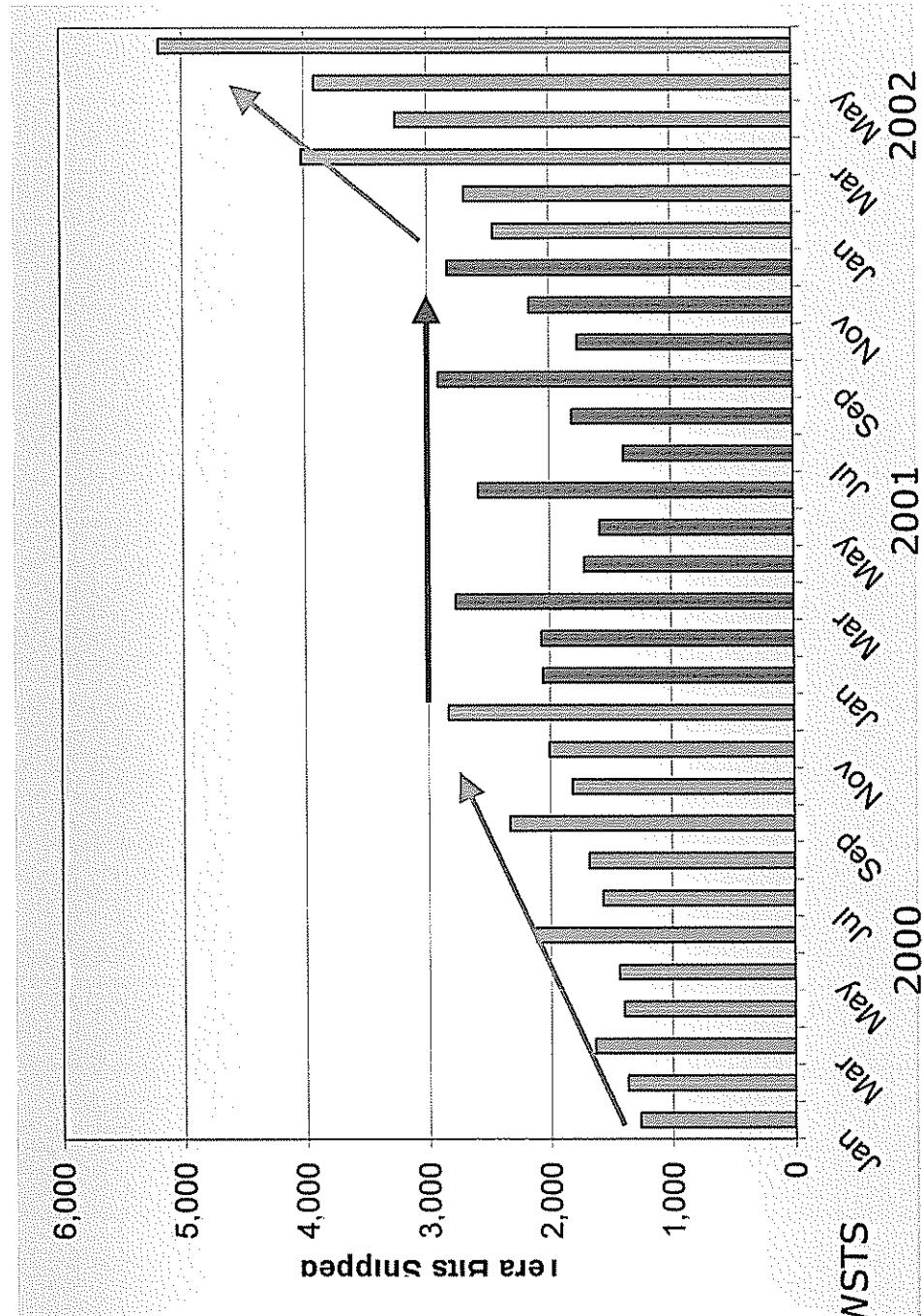
- Memory Group

- Computation Products Group

- PCS Group

# WW Flash Memory Demand is Strong

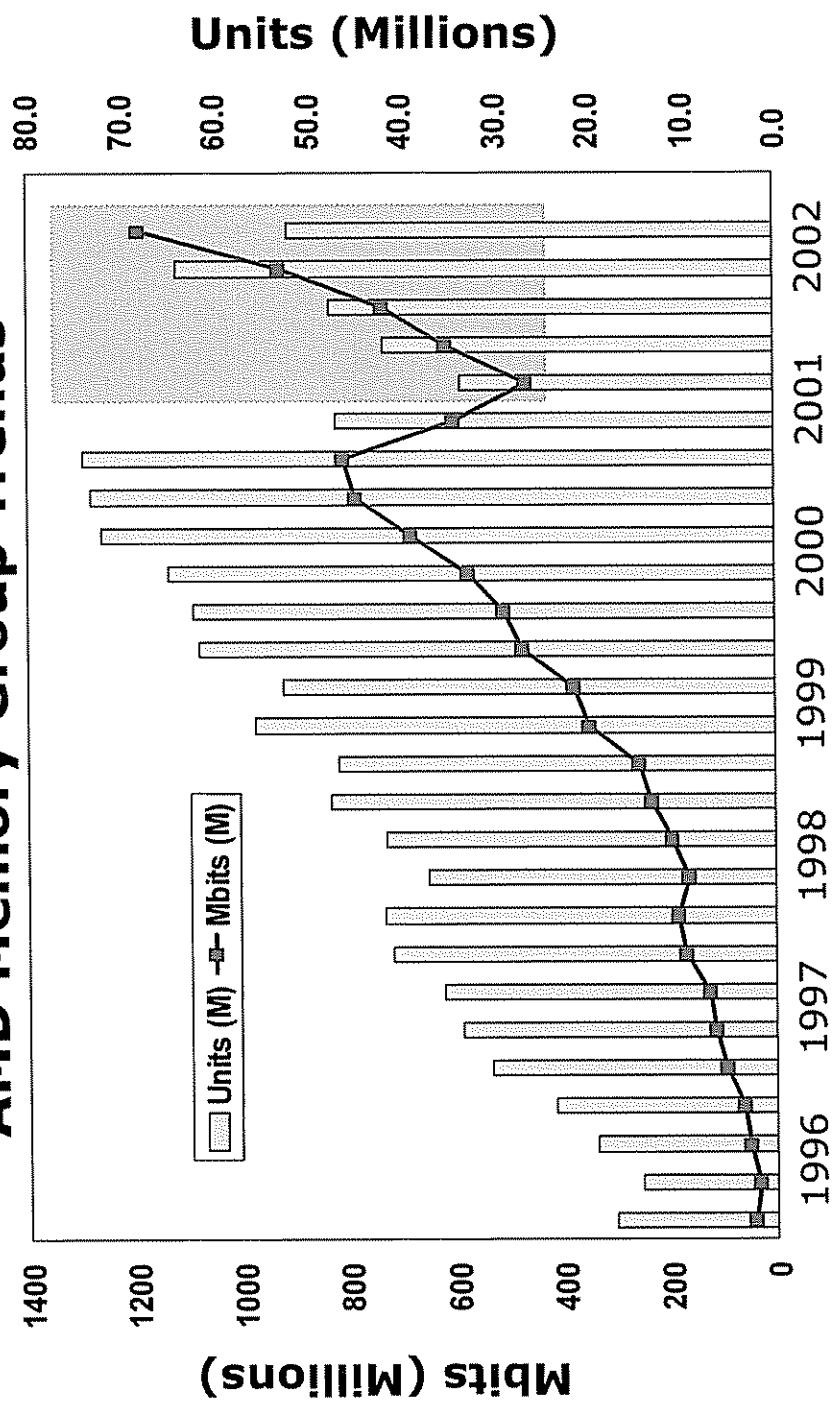
AMD



## AMD Flash Trends Are Strong



### AMD Memory Group Trends



# Industry's Leading Specifications

**AMD**

	AMD Specs	Others
Endurance	1,000,000	10k-100k
Data retention	20 years @ 125°C	10-20 years
Standby currents	0.2 uA	5-10 uA
Read current	0.5 mA	10 mA
Program times	8 us	12-15us
Erase times	0.2 s	0.4 s
Extended temp range	-55 to 125°C	-40 to + 85°C

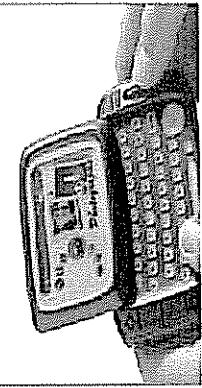
## AMD's Flash Memory Strategy



### Focus on growth opportunities

#### Wireless Strategy

- Expand customer base at wireless accounts
- Accelerate technology shrinks
- Add high-end capacity

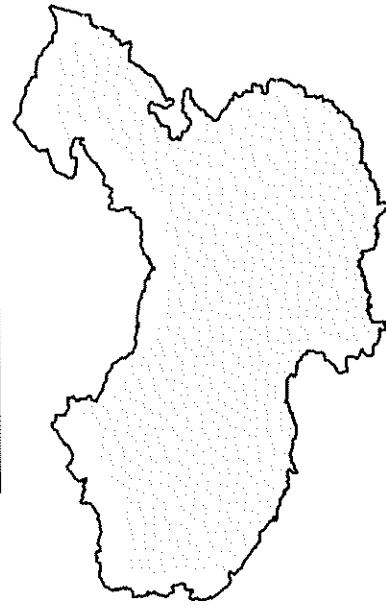


#### MirrorBit™ technology

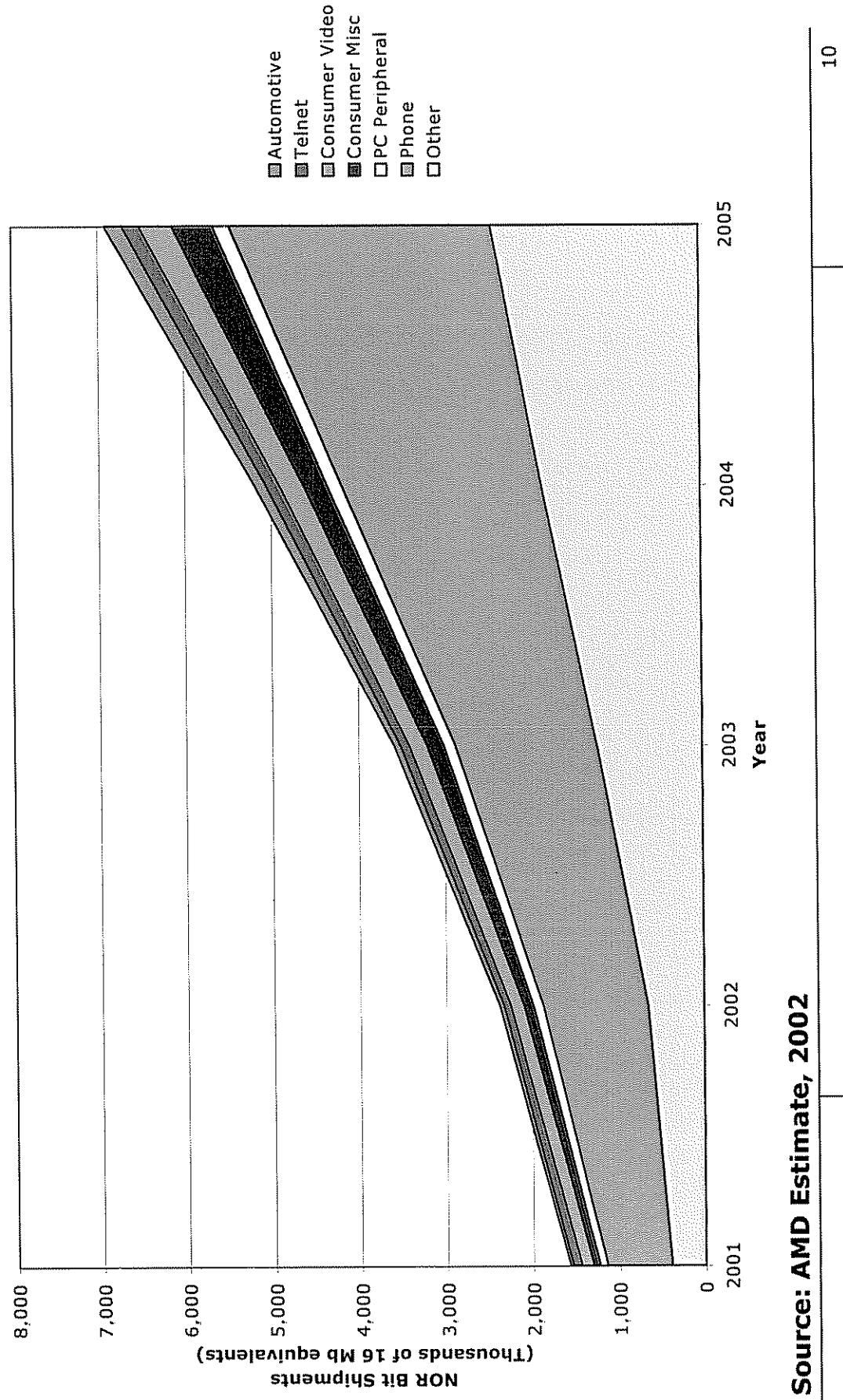
- Deploy and capitalize on MirrorBit product family

#### China

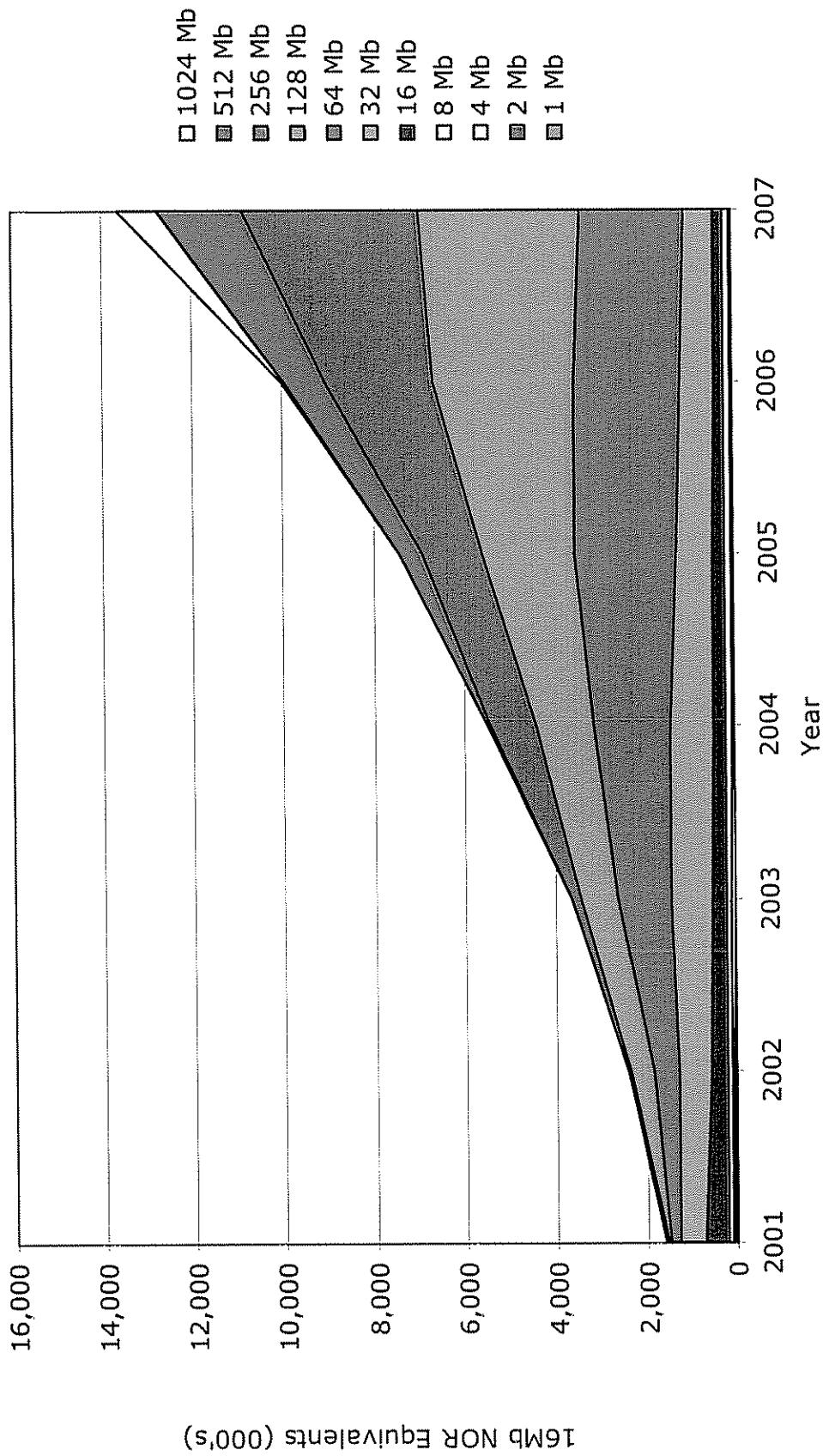
- Focus on Major OEMs
- Capitalize on our leading-edge facility at Suzhou



# Flash Bit Consumption Forecast



# Flash Opportunity is in High-Densities

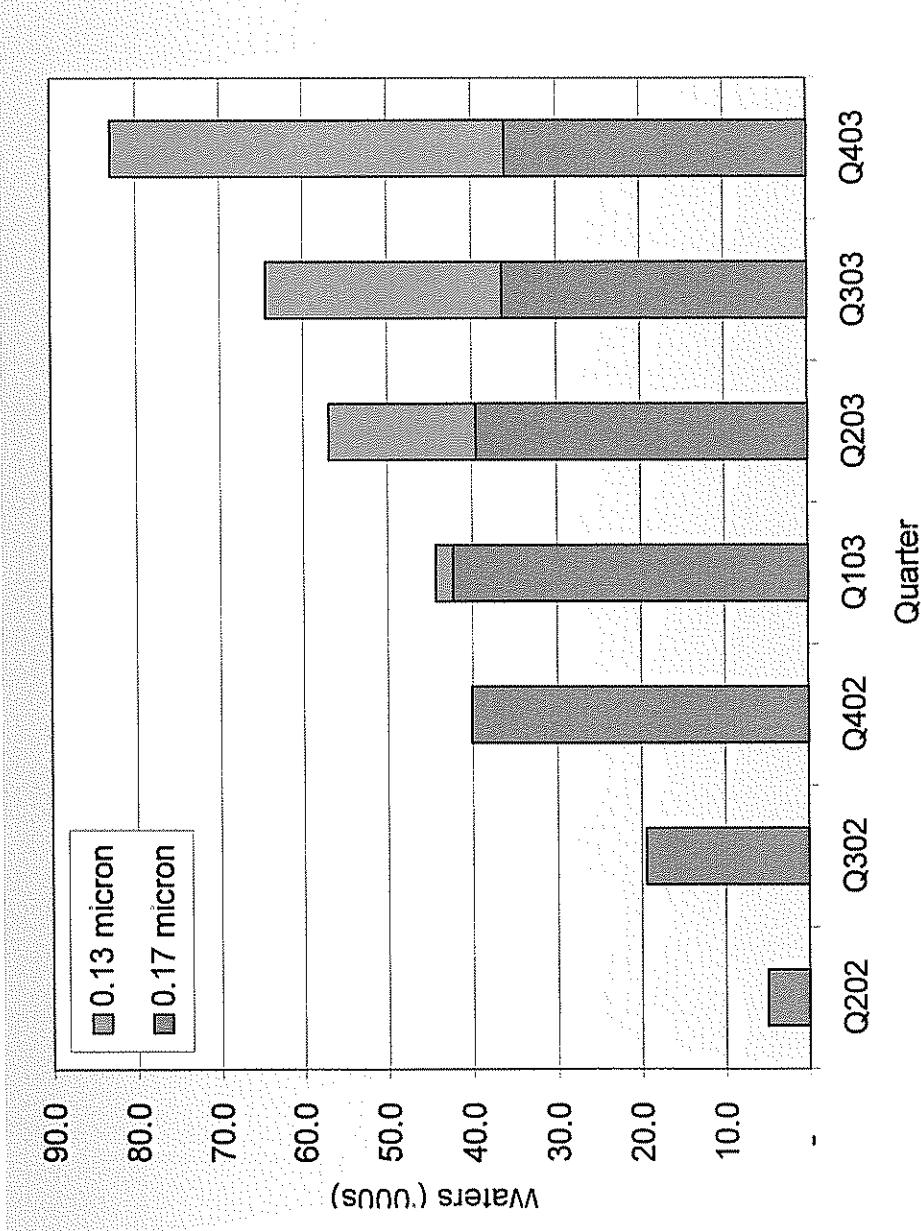


Source: AMD Estimate, 2002

## AMD's High-End Flash Capacity Ramping

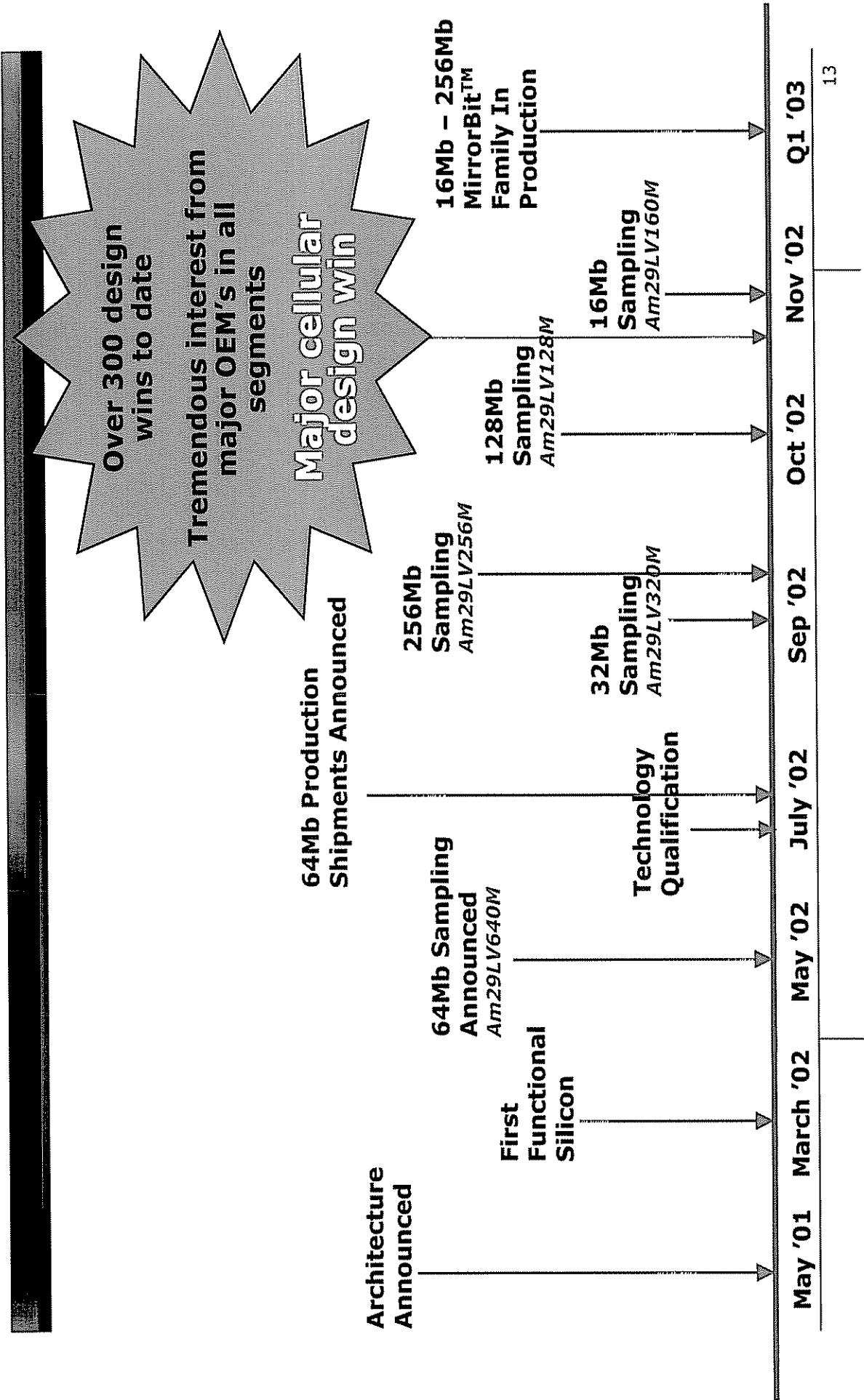


- Fab 25 fully converted to Flash



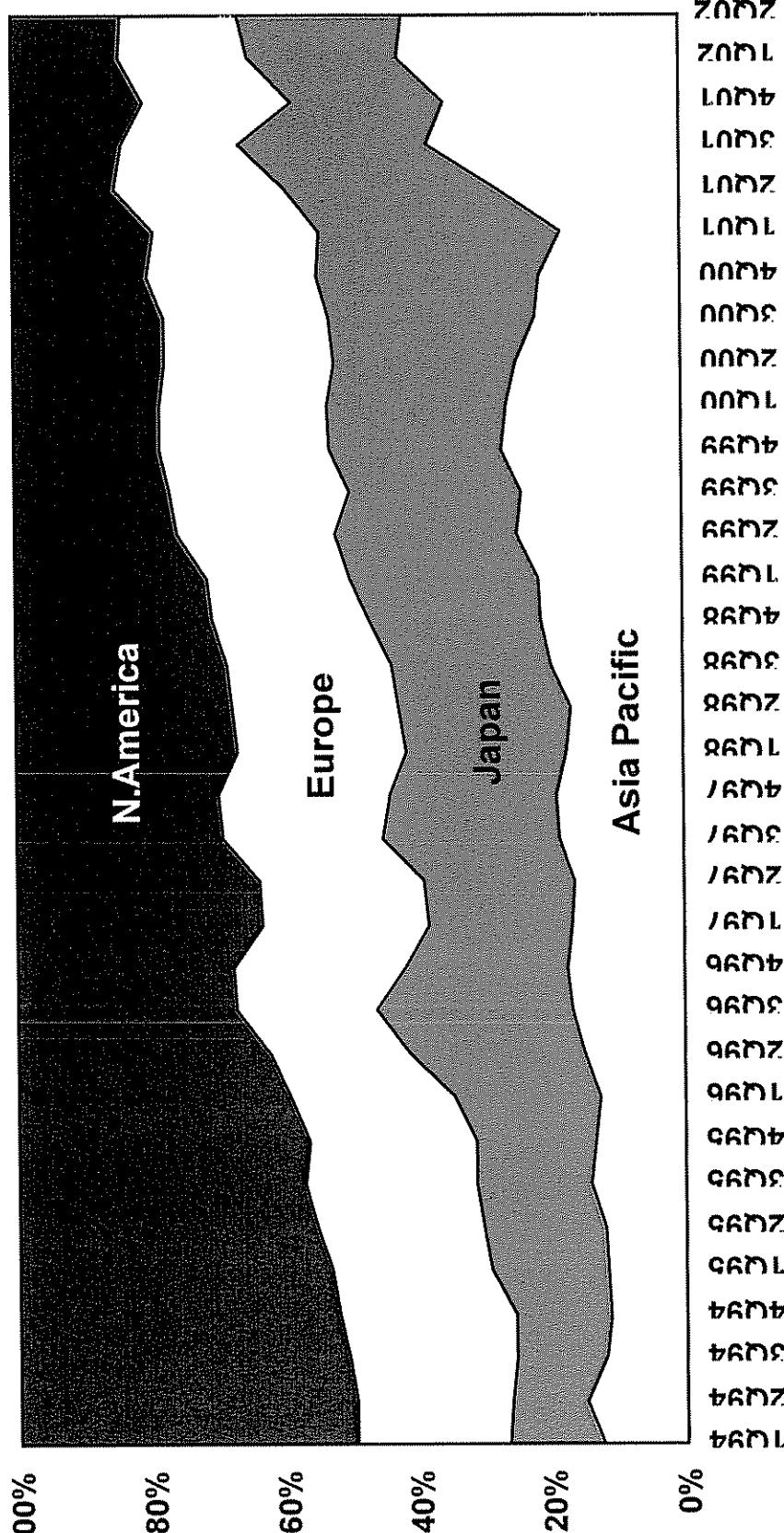
- Advanced 0.17 um and 0.13 um capacity
- Will qualify Fab 25 and JV3 to 0.13 um in Q4, 2002

# MirrorBit™ Development Timeline



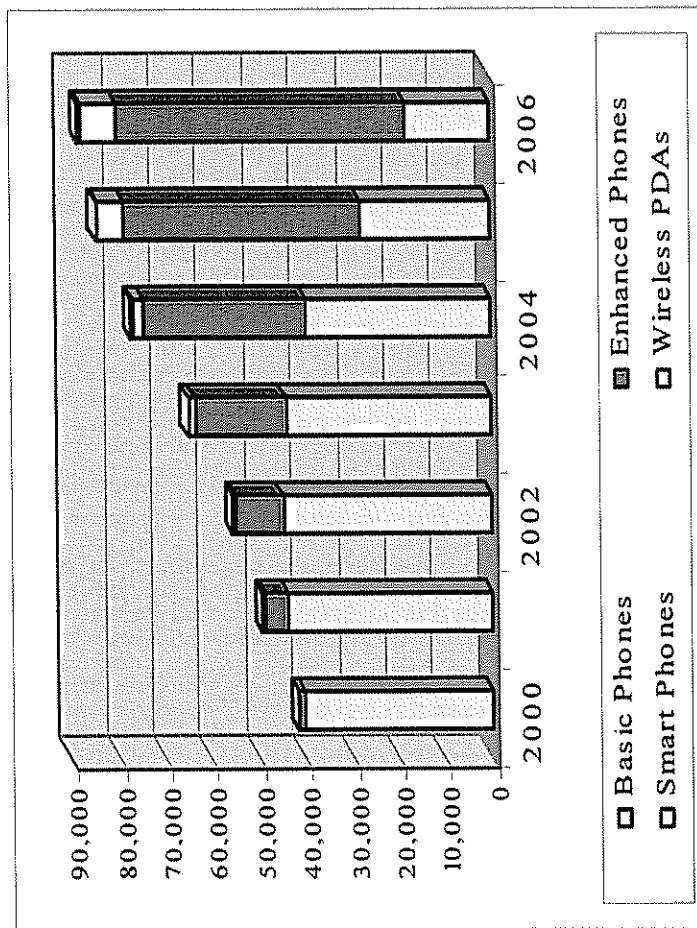


## Flash Market Share by Region



Source: WSTS

## Mobile Terminals: China, 2002-'06



We are targeting 40% market share in Chinese Wireless applications in 2003

Source: Gartner Dataquest (July 2002)

- AMD focus on China
- Corporate leadership
- Local sales, marketing and support organizations
- Local distribution relationships
- State-of-the-art packaging facility at Suzhou
- China customer successes
- Engaged with all major handset vendors and reference design houses
- Designed into 6 of the top 10 wireless accounts in China

## AMD Computation Products Group



- CPG Objective

- Become the world's leading supplier of microprocessor-based solutions for the computation, information access and media access markets

- New Growth Opportunities: Enterprise

- Server: Opteron™
- Mobile: Expand into "Thin & Light"
- Desktop: Athlon XP™

# AMD's "Combined" Market Share



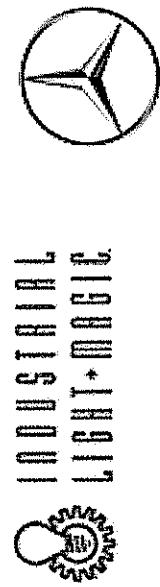
	Q3-01	Q2-02	Q3-02
World Total	20%	21%	NA
North America	22%	20%	19%
Western Europe	20%	18%	18%
Eastern Europe	21%	22%	21%
Japan	21%	26%	NA
Asia / Pacific	14%	15%	16%

Source: Dataquest Quarterly Statistics, Q3 & Q2 Edition, November 2002



## AMD Server Customer Wins

LOCKHEED MARTIN



ExxonMobil



VERITAS

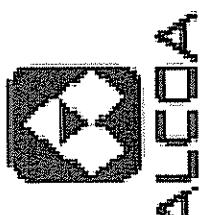
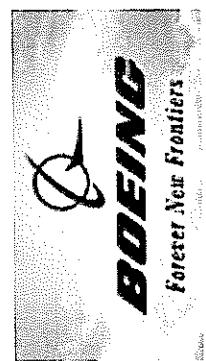
Mercedes-Benz



Raytheon



Empowering the  
Internet Generation™



AEGON

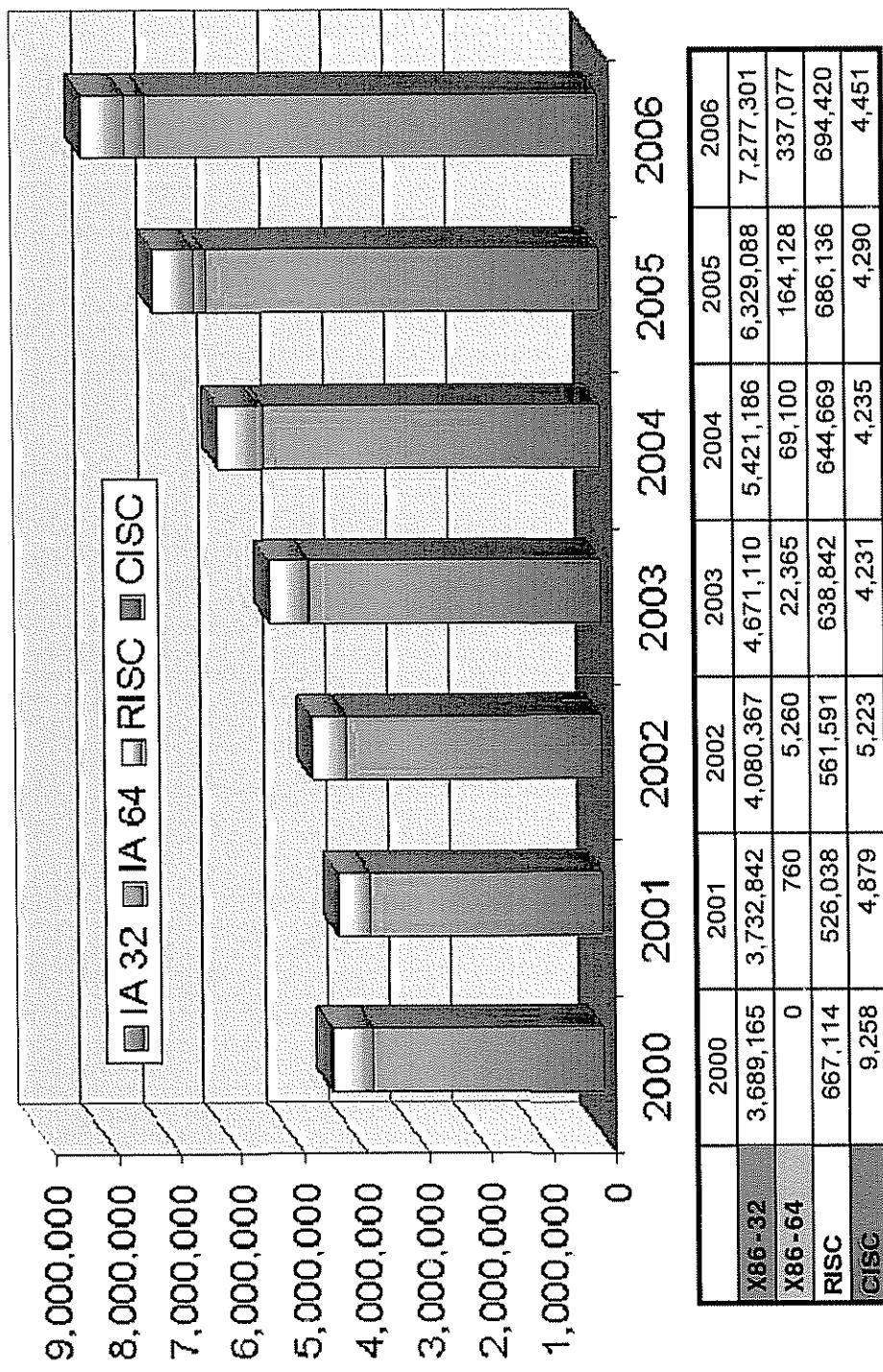
**NORTHROP GRUMMAN**



SIEMENS



## Worldwide Server Processor Forecast

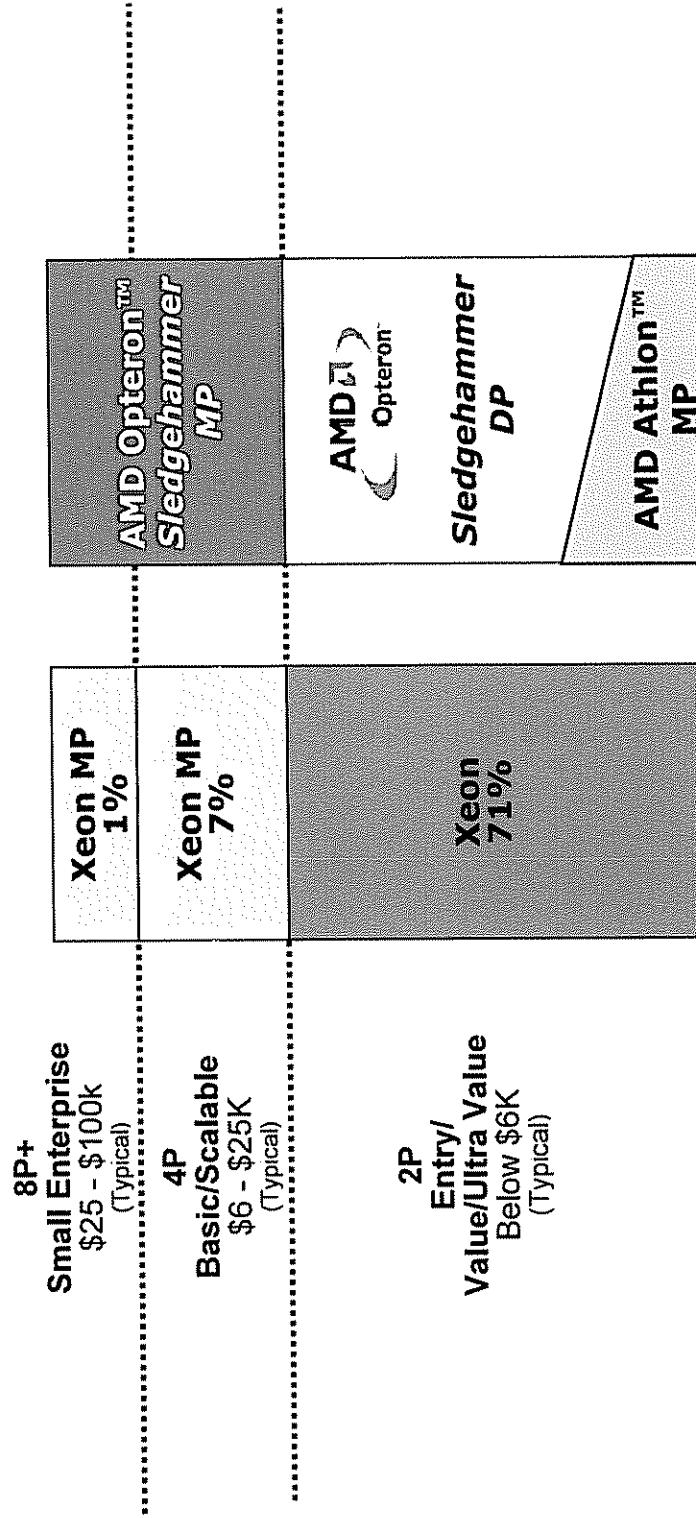


Data source: IDC WW Quarterly Server Forecast 32-bit market (June 13, 2002)

# Opteron™ will compete with Xeon



- 32-bit pricing with 64-bit capabilities

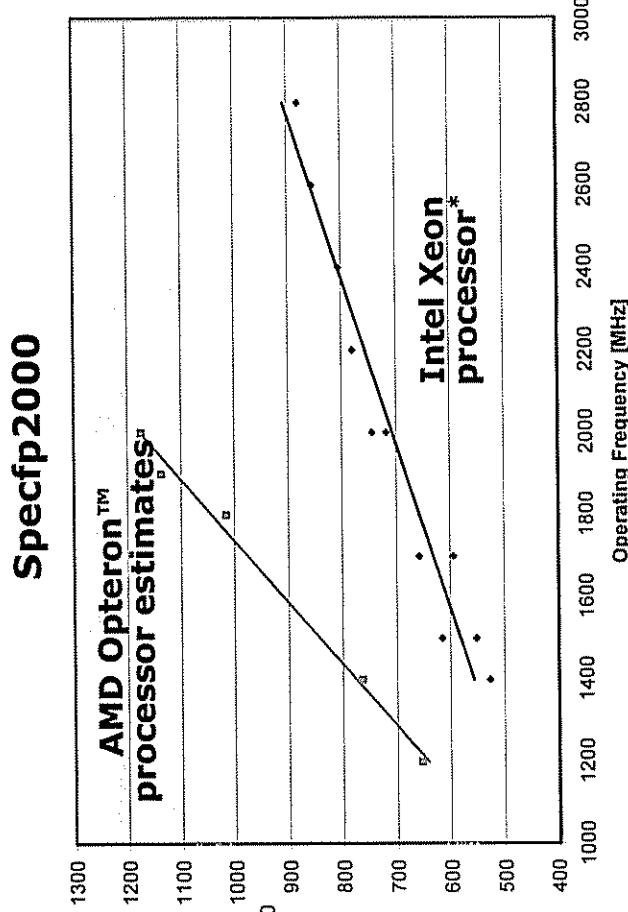
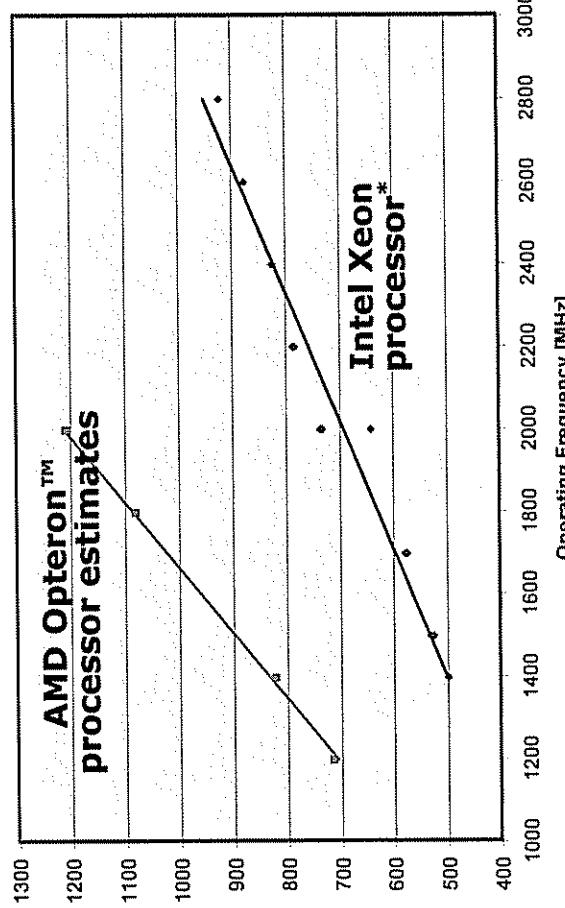


Data source: IDC WW Quarterly Server Forecast 32-bit market (June 13, 2002)

# AMD Opteron™ = Superior Performance

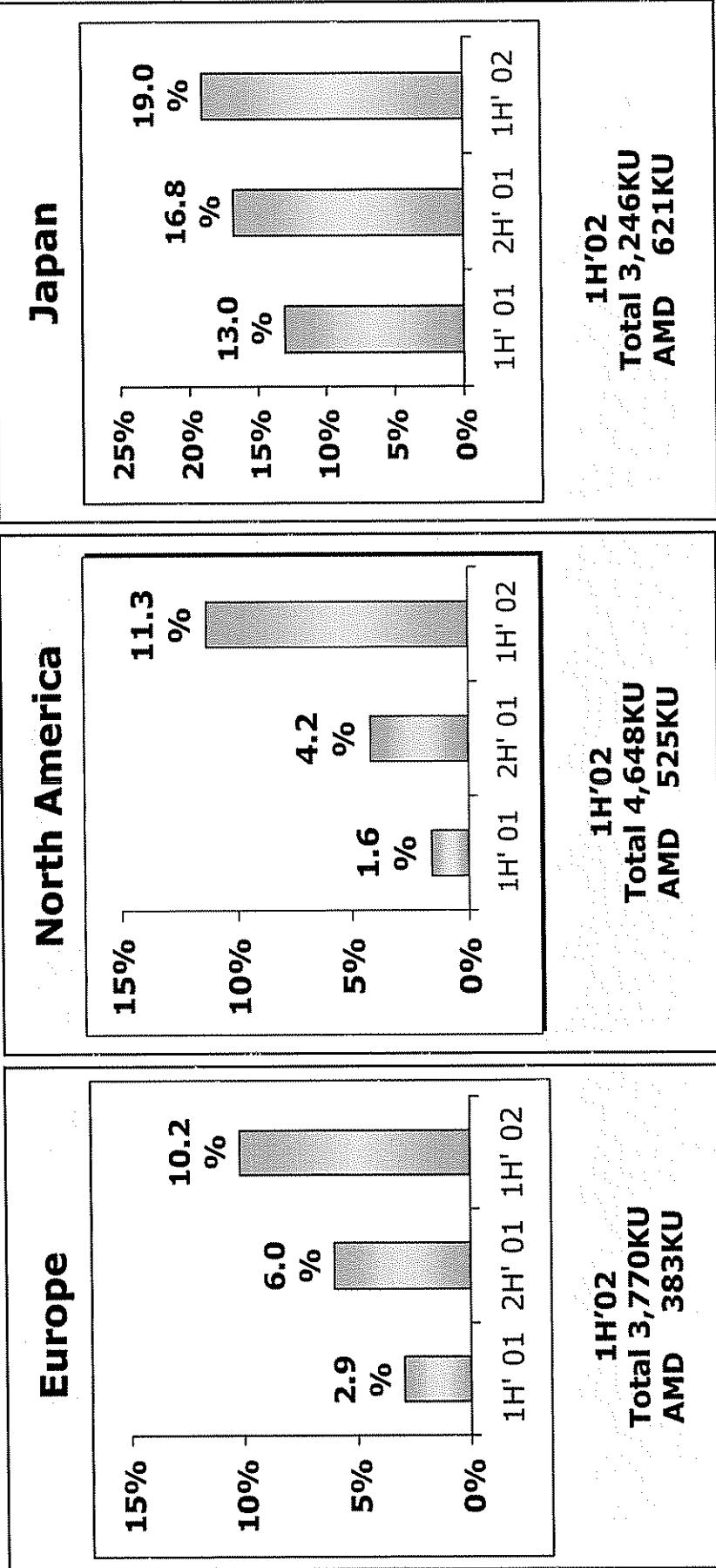


## Specint2000



\*Source <http://www.spec.org/osg/cpu2000/results/cpu2000.html>

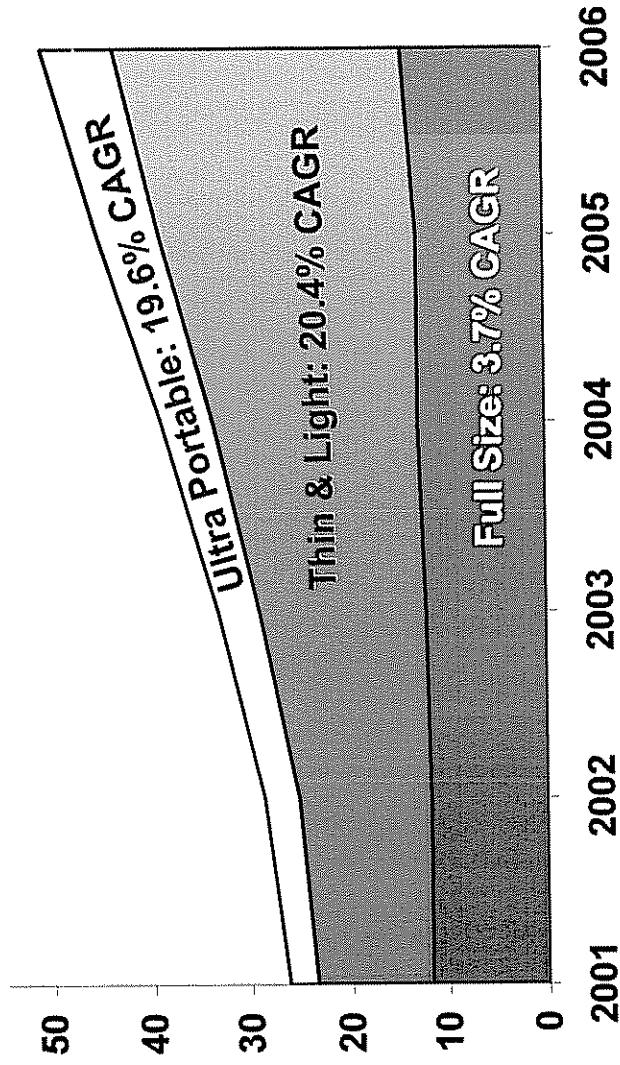
# Increasing Mobile Share in Key Regions



**3 Regions (11.7M units 1H'02) comprise 85% WW Market  
AMD totals 1.5M units, or 13% share**

Source: Gartner Aug '02

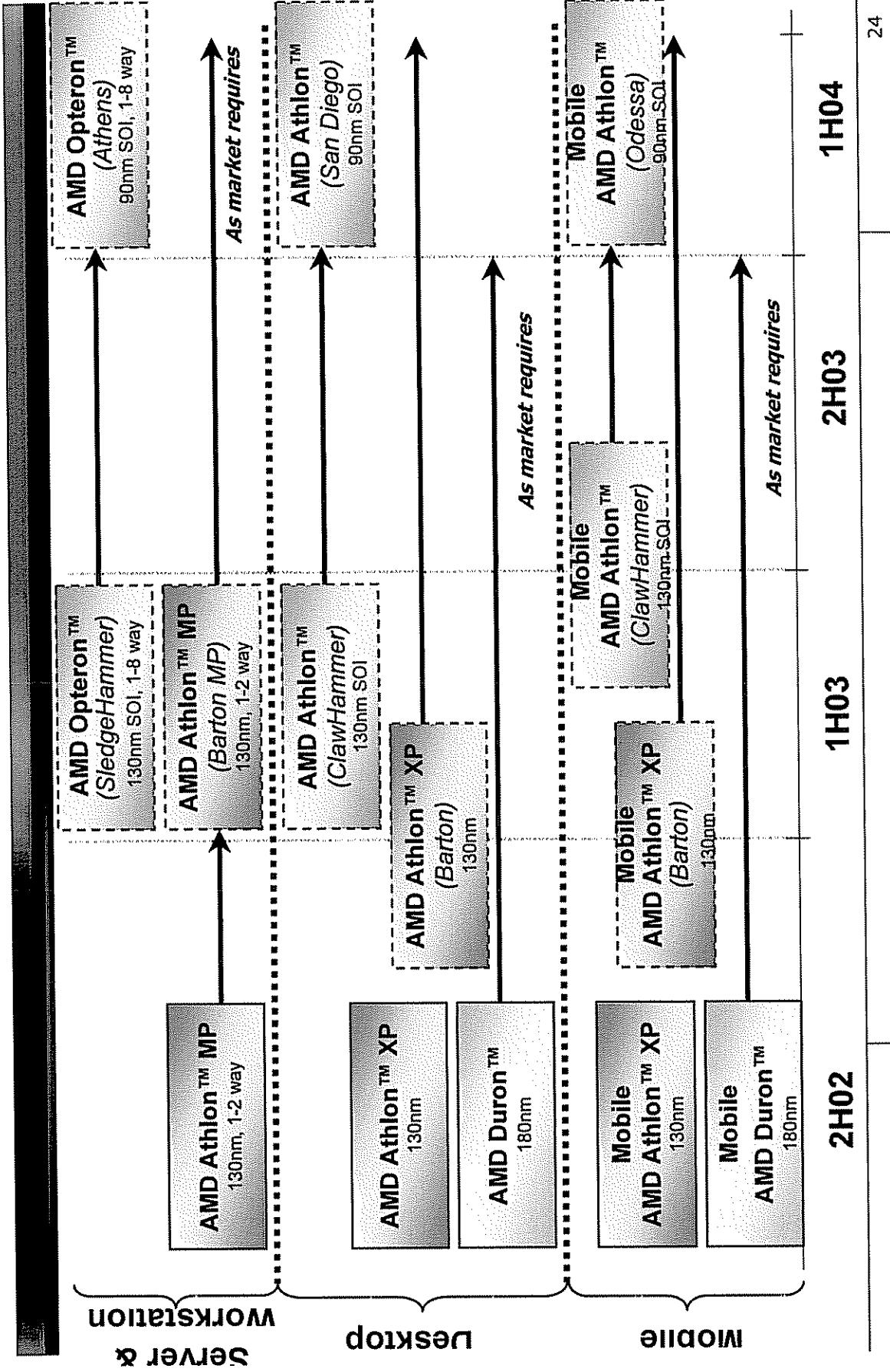
## Thin and Light Segment Growing Rapidly



	2001	2002	2003	2004	2005	2006	CAGR
Thin&Light (M Units)	11.6	13.5	16.7	20.8	25.7	29.4	20.4%

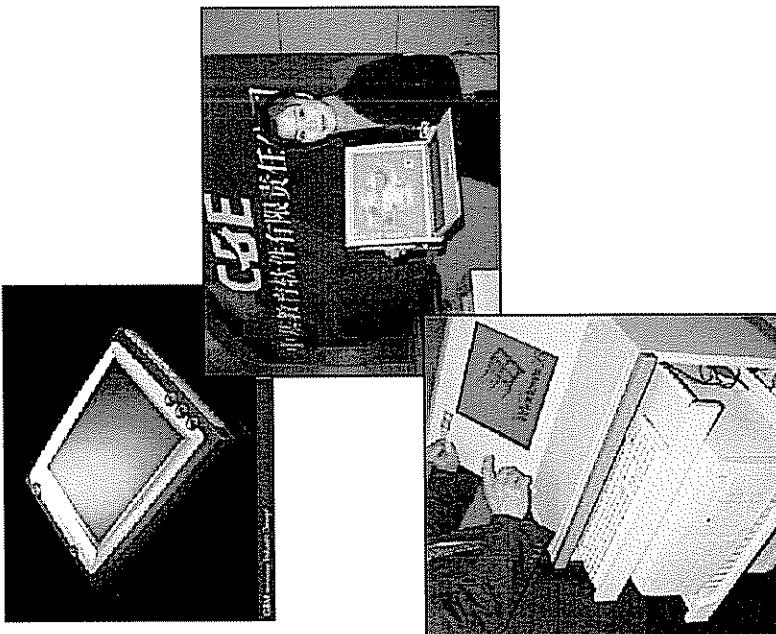
Source: PC Database, June '02

# AMD Processors Roadmap



# AMD and the Chinese Educational Market

- Ministry of Education (MOE) mandates “Connecting All Schools”
  - By 2010, 90% of High Schools, Middle, and Primary schools throughout China will be connected into the China Education and Research Network (CERNET)
  - Program represents 215 million students, 10 million teachers, 680,000 schools and 4.4 million classrooms in China
- The specific aim, prior to 2005, is to connect:
  - The eastern region High Schools, Middle and Primary schools in medium-sized or larger cities
  - The western and middle regions for High Schools, Middle and Primary schools of villages and towns
- AMD and CBE (Chinese Basic Education Company) established a JV to address this MOE opportunity



## 2002 to 2006+ Strategy



- 130nm
  - Complete Fab30 transition to 130nm by 3Q'02 – Done
  - Prepare for 130nm Flash introduction in JV3, F25
- 90nm
  - Qualify Hammer on 90nm (HiP8) in 2H03 (Fab30)
  - Fully convert Fab30 to 90nm by 2H'04
  - Initiate 90nm flash production in 2H04
- 65nm
  - Initial development on 200mm now
  - Shift logic development to 300mm during 2003
  - Qualify first production by 2H05, both logic and flash
- 45nm
  - Research projects underway

## Summary for 2003



- **Phase 1: "Sustainable Economic Health"**

- Inventory rebalance 90% complete
- Capital structure bolstering in full swing
- Aggressive cost reduction well underway

- **Phase 2: "Operational Flexibility"**

- Shift to 30% variable cost operating model in progress
- Attacking new topline growth opportunities

- **Memory:**

- Wireless segment
- MirrorBit
- China

- **Processors**

- Enterprise: Servers and Thin-and-Light mobile
- **PCS**
- Closing new design wins at rate of 2/week
- Launched industry's best wireless LAN chipset

